Our Ref: 01.01.01.01-4668U
UKOP Doc Ref:1147995

Offshore Petroleum Regulator
for Environment & Decommissioning

CHRYSAOR PETROLEUM COMPANY U.K. LIMITED
BRETTENHAM HOUSE
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LONDON
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Registered No.: 00792712

Date: 9th July 2021

Department for Business, Energy
& Industrial Strategy

AB1 Building
Crimon Place
Aberdeen
AB10 1BJ

Tel [redacted]
Fax

www.gov.uk/beis
bst@beis.gov.uk

Dear Sir / Madam

THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020
TALBOT, Ensco 121 DRILLING APPRAISAL WELL 30/13e- A planned well

A screening direction for the project detailed in your application, reference DR/2121/0 (Version 2), dated 30th June 2021 has been issued under regulation 6 of the above Regulations. The screening direction notice, and any relevant conditions and comments are attached. A copy of this screening direction will be forwarded to the application consultees, the Oil and Gas Authority and published on the gov.uk website.

If you have any queries in relation to this screening direction or the attachments, please do not hesitate to contact [redacted] on [redacted] or email the Environmental Management Team at bst@beis.gov.uk.

Yours faithfully

Signature Not Verified
Digitally signed by Environmental Section
Date: 2021.07.09 14:35:56 BST
Reason: On behalf of the Department for Business Energy and Industrial Strategy
Location: The Department for Business Energy and Industrial Strategy

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THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020

SCREENING DIRECTION CONFIRMING THAT AN ENVIRONMENTAL IMPACT ASSESSMENT IS NOT REQUIRED

TALBOT, Ensco 121 DRILLING APPRAISAL WELL 30/13e- A planned well

DR/2121/0 (Version 2)

Whereas CHRYSAOR PETROLEUM COMPANY U.K. LIMITED has made an application dated 30th June 2021, under The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Assessment) Regulations 2020, and whereas the Secretary of State has considered the application and is satisfied that the project is not likely to have a significant effect on the environment; in exercise of the powers available under regulation 6, the Secretary of State hereby directs that the application for consent in respect of the project need not be accompanied by an Environmental Impact Assessment, provided that the project is carried out as described in the application for the screening direction and in accordance with the conditions specified in the attached schedule.

In giving a screening direction under regulation 6 of the above Regulations, the Secretary of State accordingly gives his agreement to the Oil and Gas Authority to the grant of consent for the project as detailed in the application.

Effective Date: 9th July 2021

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THE OFFSHORE OIL AND GAS EXPLORATION, PRODUCTION, UNLOADING AND STORAGE (ENVIRONMENTAL IMPACT ASSESSMENT) REGULATIONS 2020

SCHEDULE OF SCREENING DIRECTION CONDITIONS

The grant of this screening direction is conditional upon the screening direction holder complying with the following conditions.

1 Screening direction validity

The screening direction shall be valid from 9 July 2021 until 31 December 2021.

2 Commencement and completion of the project

The holder of the screening direction must notify the Department for Business, Energy & Industrial Strategy (hereinafter called the 'Department') of commencement and completion of the project within two days:

a) of commencement of the project and

b) of completion of the project.

Notification should be sent by email to the Environmental Management Team Mailbox: bst@beis.gov.uk

3 Nature of stabilisation or protection materials

Rock deposits

3,000 tonnes of clean, inert rock material, containing minimal fines, (The quantity of rock deposited should be the minimum required to provide the necessary stabilisation or protection, and any surplus rock must be returned to land).

4 Location of stabilisation or protection materials

MoDU

Within 10 metres radius of the legs of the jack-up mobile drilling unit located at:

Laltitude: 56 Degrees 35 Minutes 0.233 Seconds NORTH

Longitude: 02 Degrees 28 Minutes 35.097 Seconds EAST

5 Prevention of pollution

The holder of the screening direction must ensure that appropriate measures are

taken to minimise discharges, emissions and waste, in particular through the appropriate use of technology; and to ensure that necessary measures are taken to prevent incidents affecting the environment or, where they occur, to limit their consequences in relation to the environment.

6 Inspections

Should the Department consider it necessary or expedient for an inspector appointed by the Secretary of State to investigate whether the conditions of the screening direction are being complied with, the holder of the screening direction shall afford the inspector with such facilities and assistance as the inspector considers necessary to exercise the powers conferred by the regulations. The holder of the screening direction shall additionally ensure that copies (electronic or paper) of the screening direction and any other relevant documents are available for inspection by the inspector at:

a) the premises of the holder of the screening direction; and
b) the facilities undertaking the project covered by the screening direction.

7 Monitoring

The results of any pre or post-placement surveys carried out to confirm the necessity for the deposits covered by the screening direction and/or to confirm the accurate positioning of the stabilisation or protection materials, should be forwarded to the Department following completion of the surveys

8 Check monitoring

Should the Department consider it necessary or expedient to undertake an independent monitoring programme to assess the impact of the project covered by the screening direction, the screening direction holder shall afford the Department with such facilities and assistance as the Department considers necessary to undertake the work.

9 Atmospheric emissions returns

Following completion of the project covered by the screening direction, the holder of the screening direction shall report all relevant atmospheric emissions, such as combustion emissions, extended well test emissions or flaring and venting emissions relating to a well test, using the appropriate Environmental Emissions Monitoring System (EEMS) reporting forms. In the case of atmospheric emissions relating to drilling projects undertaken from a fixed installation, they should be included in the annual EEMS reporting forms for the fixed installation.

10 Deposit returns

The holder of the screening direction shall submit a report to the Department following completion of the deposit covered by the screening direction, confirming the

quantity of materials deposited and the estimated area of impact, using the appropriate Environmental Emissions Monitoring System (EEMS) reporting form. Where no deposits are made, a 'nil' return is required.

11 Unauthorised deposits

Following completion of the project covered by the screening direction, the holder of the screening direction shall recover any materials accidentally or temporarily deposited on the seabed, such as debris, temporary containers, structures or deposits, or scientific instruments, and shall return the materials to land. If it is not possible to recover any of these deposits, full details of the materials remaining on the seabed must be reported to the Department in accordance with the requirements of Petroleum Operations Notice No.2 (PON2).

12 Screening direction variation

In the event that the holder of the screening direction proposes changes to any of the particulars detailed in the application for a screening direction, the holder must notify the Department immediately and submit an application for a post screening direction amendment. The post screening direction must be in place prior to the amended proposals taking effect.

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COMMENTS ON THE APPLICATION FOR SCREENING DIRECTION

Section 1

The attention of screening direction holders is drawn to the following provisions regarding The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Assessment) Regulations 2020.

1) You are deemed to have satisfied yourself that there are no barriers, legal or otherwise, to the carrying out of the project covered by the screening direction. The issue of a screening direction does not absolve the screening direction holder from obtaining such authorisations, consents etc that may be required under any other legislation.

2) The Department would draw your attention to the following comments:

N/A

3) All communications relating to the screening direction should be addressed to:

Out-of-hours emergency screening direction variations:

Telephone Met Office out-of-hours service (0330 135 0010) and ask to be connected to the Department's On-call Response Officer (Offshore Environmental Inspectorate).

Routine communications

bst@beis.gov.uk

or

Offshore Petroleum Regulator for Environment & Decommissioning
Department for Business, Energy & Industrial Strategy
AB1 Building
Crimon Place
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AB10 1BJ

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SCHEDULE OF SCREENING DIRECTION DECISION REASONS

The Secretary of State has decided that, based on the information provided, the project is not likely to have a significant effect on the environment. The main reasons for this decision are:

1) Decision reasons

The following provides a summary of the assessments undertaken by OPRED to determine whether an Environmental Impact Assessment is required for this project, summarises the information considered, the potential impacts and sets out the main reasons for the decision made. In considering whether an Environmental Impact Assessment is required or not, the following have been taken into account:

a) the information provided by the developer;

b) the matters listed in Schedule 5 of The Offshore Oil and Gas Exploration, Production, Unloading and Storage (Environmental Impact Regulations 2020) (the Regulations);

c) the results of any preliminary verifications or assessments of the effects on the environment of the project; and

d) any conditions that the Secretary of State may attach to the agreement to the grant of consent.

Characteristics of the Project

Having regard, in particular, to the matters identified at paragraphs 1(a) to (g) of

Schedule 5 to the Regulations, the characteristics of the project include the

following:-

Summary of the Project

- Drilling of the Talbot appraisal well 30/13e-F (36", 16" and 9.5" sections);

- Drilling of a contingency side-track well (9.5" section); and

- Permanent abandonment of the main bore and contingency side-track well.

Description of the Project

The drilling of the Talbot appraisal well will be enabled by use of a heavy duty jack-up rig. The well will be drilled in three sections at the diameters outlined above, and there is a contingency to drill a side-track well as set out above. The 36" section uses

water-based drilling mud with cuttings discharged to sea. The 16" and 9.5" sections will be drilled using low toxicity oil-based drilling mud, with the cuttings treated by a Hellenes Thermal Treatment Unit (HTTU) prior to discharge to sea, with a contingency of cuttings being contained and shipped onshore for treatment and disposal. Once the well sections have been drilled, casings will be run, and cement will be used to provide integrity of the drilled well. Vertical seismic profiling of the well will be undertaken to gain an understanding of the appraisal well. No well testing is planned, and hydrocarbons will not be flowed back to the rig.

There are no other oil and gas, renewable, or aggregate extraction projects either in existence or approved within 10 km of the Talbot location. Cumulative interactions are therefore not expected. The Talbot exploration well is being drilled in an offshore oil and gas licensed area. Further information on the land use and baseline environment can be found below. Waste fluids created after displacement of oil-based mud from the well will be sampled and discharged to sea if it meets acceptability criteria, if not then it will be shipped to shore for treatment and disposal. No pollution or nuisances are foreseen from the drilling of the well and side-track section. It is not considered likely that the project will be affected by natural disasters. There is not likely to be any significant impact of the project on population and human health.

Location of the Project

Having regard, in particular, to the matters identified at paragraphs 2(a) to (c) of Schedule 5 to the Regulations, the environmental sensitivity of geographical areas likely to be affected by the project has been considered as follows:-

The project is in an offshore oil and gas licenced area, approximately 276 km east from the Aberdeenshire coastline in Scotland and 9 km west of the UK/Norwegian median line, in an area where water depth is approximately 75 m and the seabed type is primarily sand. The expected wave heights for the project area are 2.1 to 2.4 m. The project is located within the Fulmar Marine Conservation Zone (MCZ).

Site-specific surveys identified the seabed as consisting of silty sand with frequent shell fragments. Bacterial mats were observed at two stations within the Talbot site and route survey area, but there was no evidence of methane-derived authigenic carbonate (MDAC) in either seabed imagery or from the geophysical interpretation. Burrows in the mud were observed during survey of the project location, although they were classified as 'rare', with a burrow density of <0.09 burrows / m2 across all stations and no sea pens were observed. Based on this information, the survey area is not considered to support the OSPAR habitat 'Sea pen and burrowing megafauna communities' the associated PMF 'Burrowed mud' or the Scottish Biodiversity List Habitat 'Mud habitats in deep water'. The presence of horse mussel Modiolus modiolus indicated the potential presence of the Annex I habitat 'Biogenic reef'. Based on the density of horse mussels observed and the elevation of areas containing horse mussels from the surrounding seabed, nine stations and two transects were denoted with 'medium' to be 'likely' to comprise Annex I habitat Ocean quahog Arctica islandica shells were observed on the seabed and suspected ocean

quahog siphons observed protruding from the sediment. An assessment of the density of ocean quahog based on the seabed imagery indicated at mean density of 0.004 individuals / m2 across the survey area. Low numbers of ocean quahog were subsequently identified in the sediment samples. The maximum number of individuals per 0.1 m2 sample was three. Of the 39 individuals identified in the sediment samples, 38 were juveniles. As such, the survey area is not considered to be particularly important for this species.

The project works will take place during spawning periods for mackerel, lemon sole, plaice and sandeel. The project location is also within an area of peak spawning for mackerel and Norway pout. Sightings of cetaceans have been recorded during the period for which the project works are planned, and most abundantly during the month of July. Seabird density is described as low for the period when project works are planned. The project area is not within a commonly fished ground and fishing effort is predominantly focussed on demersal species. The area is described as a low intensity fishing area. There is a large amount of other oil and gas infrastructure in the surrounding area. The project location is not within a military activity zone, aggregate extraction location, or near any renewable energy infrastructure projects. There is a wreck within the licenced block but not in proximity to the project location.

Given the location of the project, the areas identified at paragraphs 2(c)(i), (iii), (iv),(vi), (vii) and (viii) of Schedule 5 are not likely to be affected by the project.

Type and characteristics of the potential impact

In accordance with paragraph 3 of Schedule 5 to the Regulations, the likely significant effects of the project on the environment have been considered. Potential effects to the environment from the activities associated with the project were assessed, with particular focus on the predominant impacts resulting from noise linked to the seismic profiling, atmospheric emissions from vessel / rig use, physical presence from the rig being on location, seabed disturbance from locating the rig and discharges to sea and planned discharge of treated drill cuttings, and lastly the potential impact from an accidental spill event.

Atmospheric emissions are expected to be temporary in nature and be borne from combustion plant on the rig and supporting vessels used on the project. The emissions contribute less than 0.02% of the total emissions estimated for offshore activities in the UK. The emissions from the project are not expected to result in a significant impact on the environment.

The 36" section will have associated cuttings discharged to sea. Smothering of benthic organisms is possible, impairing the feeding and respiratory system of some of the organisms. However, given the tidal and current forces at the location, it is likely that the cuttings will disperse. Given the location of the discharge of water-based mud cuttings (at seabed level) the majority of deposits are likely to be located in the immediate vicinity of the well and the impact of the proposed operations on the Fulmar MCZ protected site is unlikely to be significant.

The proposed Talbot well drilling operations will coincide with peak mackerel spawning, as well as lemon sole, plaice and sandeel. Of these species, sandeels and plaice are benthic spawners. For sandeels, the specific sediment requirements for spawning includes clean sand with low silt/clay content, which means that it is likely that the vicinity of the proposed well is a suitable spawning site. It is expected that marine discharge resulting from proposed operations will be localised in nature and will disperse quickly into the water column. Overall, the seabed disturbance and discharges to sea impacts from planned discharge of water-based mud and treated drill cuttings is expected to be insignificant.

The risk of injury to cetaceans is low from the seismic profiling operation. The potential impact is mitigated by use of a soft start to the seismic profiling and carrying out pre-shoot searches using marine mammal observers. Risk of injury to cetaceans and pinnipeds are curtailed to within a radius of less than 297 m from the source, this is before mitigation measures would be employed. The number of individual animals that are likely to exhibit some form of change in behaviour for the period in which they encounter sound from the proposed VSP operations is relatively small. Therefore, the proposed VSP operations would be largely undetectable against natural variation and would have no significant effect at the population level. The impacts to cetaceans and pinnipeds are expected to be insignificant both before and after mitigation is applied.

A 500 m default safety exclusion zone will exist around the rig once it is anchored on location. The zone is there for the safety of the rig and vessel traffic. Once in place no unauthorised vessels will be allowed to enter meaning that vessel routes and fishing will have to avoid the area. Given the low intensity commercial fishing observations from the area and the vessel traffic is regarded as low. Both of these receptors are not at risk of being significantly impacted by the project. Further the rig's time on location will be temporary in nature, and once the well has been plug and abandoned the waters at that location will be made available once more.

Seabed disturbance will result from locating the jack-up drill rig on location. The potential area of seabed affected by the spud cans and rock stabilisation material amounts to approximately 0.00118 km2. Once the spud cans have been removed, the natural physical process of sediment transportation and biological settlement will be expected to restore the seabed to its original condition over time. Physical disturbance as a result of rock dump can cause mortality or displacement of benthic species in the impacted zone. Direct loss of habitat and direct mortality of sessile seabed organisms that cannot move away from the contact area would be expected. The impacts are mitigated by way of the biological communities being in flux and able to adjust or re-colonise the area that has been disturbed. The relatively dynamic nature of the marine environment at the location will help return the seabed to its natural state after the project has been completed. The impact has not been assessed as significant.

Accidental spill modelling has been undertaken for the project application. The worst-case scenario would result in a spill of crude that would be unlikely to beach on the UK or Norway coastlines. The assessment concludes that a worst-case spill

would not cause significant adverse change to a protected species or habitat. The applicant has outlined multiple response measures available to them and which could be enacted in the unlikely unplanned event of a spill. Such measures would be used to reduce the potential impact as far as possible and as quickly as possible.

There are no expected transboundary impacts because of the project, and no cumulative impacts have been identified given the other known existing and approved projects in the wider area.

Decision

Taking the above considerations into account, the Secretary of State has concluded that the project is not likely to have a significant impact on the environment and that an environmental impact assessment is not required.

2) Mitigation of significant effects

The following are features of the project or measures envisaged that the developer has proposed to avoid or prevent what might otherwise have been significant adverse effects on the environment:

N/A